

Message Text

SECRET

PAGE 01 BERN 00852 01 OF 03 231113Z
ACTION EUR-12

INFO OCT-01 ISO-00 ONY-00 SS-15 /028 W
-----128719 231121Z /20
R 230800Z FEB 78
FM AMEMBASSY BERN
TO SECSTATE WASHDC 5822

S E C R E T SECTION 1 OF 3 BERN 852

FOR EUR ONLY

E.O. 11652: XGDS-3
TAGS: AMGT PFOR SZ XX
SUBJECT: US GOALS AND OBJECTIVES IN SWITZERLAND

REF: A) STATE 291277; B) BERN 733

1. SUMMARY: STATEMENT OF GOALS AND OBJECTIVES WAS PREPARED IN SEPT 1977 COINCIDENTALLY WITH MY ARRIVAL IN SWITZERLAND. WE HAVE SENT BROAD OVERVIEW MESSAGE REQUESTED REFTEL A. THIS TELEGRAM IS ADDITIONAL REPORT GIVING HIGHLIGHTS OF OUR ACTIVITIES DURING 5 MONTHS OF MY STEWARDSHIP, PLUS SOME OF OUR PROJECTED ACTIVITIES. END SUMMARY.

2. ECONOMIC/COMMERCIAL:

A) GENERAL: THE EMBASSY HAS STEADILY EXPANDED CONTACT WITH AMERICAN AND SWISS BUSINESS AND BANKING COMMUNITIES, BEGINNING WITH MEETING OF HEADS OF SWISS BRANCHES OF AMERICAN BANKS ON NOV 3 AT WHICH ALL ISSUES OF INTEREST TO US OR THEM WERE DISCUSSED. A SIMILAR MEETING WAS HELD WITH MAJOR SWISS BANKS ON JAN 30. I HAVE MADE A NUMBER OF PLANT VISITS AND HAVE ADDRESSED AUDIENCES OF UP TO 400 ON ECONOMIC POLICY ISSUES IN GENEVA, ZURICH, BERN AND ST. GALLEN.

ON JAN 16 WE BEGAN SENDING COPIES OF OUR WEEKLY
SECRET

SECRET

PAGE 02 BERN 00852 01 OF 03 231113Z

FINANCIAL REPORT TO HEAD OFFICES OF AMERICAN BANKS WITH BRANCHES IN SWITZERLAND, AS WELL AS TO THEIR BRANCHES HERE.

TO IMPROVE OUR CONTACTS WITH AMERICAN FIRMS DOING BUSINESS IN EUROPE, WE HAVE INVITED OVER 400 REPS OF THESE FIRMS TO SEE THE RESIDENCE ON MAR 8, TO BE FOLLOWED BY A DUTCH-TREAT WORKING LUNCHEON.

ANOTHER EVENT IN THIS CATEGORY OF ACTIVITIES WILL BE AN APR 27 MEETING TO WHICH I HAVE INVITED 55 REPS OF AMERICAN BROKERAGE FIRMS AND AT WHICH WE WILL DISCUSS, AMONG OTHER THINGS, POSSIBILITY OF MEETING OF POTENTIAL SWISS PORTFOLIO AND DIRECT INVESOTRS IN THE US WITH US FIRMS MARKETING SECURITIES AND RELATED SERVICES.

WE HAVE INVOLVED OURSELVES HEAVILY IN SWISS-AMERICAN CHAMBER OF COMMERCE ACTIVITIES, ON TAXATION OF AMERICAN CITIZENS LIVING ABROAD AND IN EFFORT TO NEGOTIATE A SOCIAL SECURITY AGREEMENT WITH SWITZERLAND.

WE HAVE ALSO BEEN WORKING FOR A SWISS-AMERICAN AGREEMENT WHICH WOULD PROVIDE FOR BETTER SUPER-VISION OF AMERICAN BANK BRANCHES HERE AND WITH THE SEC AND THE IRS TO IMPROVE THEIR ACCESS TO RECORDS AND WITNESSESS AVAILABLE ONLY IN SWITZERLAND. IN CONNECTION WITH THESE EFFORTS WE HAVE EFFECTUATED VISITS FROM IRS COMMISSIONER KURTZ, FRB GOV WALLICH, AND HOPE TO ARRANGE AN SEC VISIT IN NEAR FUTURE.

B) DIRECT INVESTMENT IN US: ONE OF OUR MOST SUCCESSFUL MEETING WAS HELD ON DEC 6, 1977. CONTACT WAS MADE WITH 53 GOVERNORS OF STATES AND TERRITORIES; 27 STATES AND TERRITORIES WERE REPRESENTED. OVER 80 SWISS BUSINESSMEN WERE ALSO PRESENT. THIS MEETING WAS BILLED BY MANY WHO ATTENDED AS THE MOST PRODUCTIVE
SECRET

SECRET

PAGE 03 BERN 00852 01 OF 03 231113Z

EVENT OF ITS KIND. RESULTS WERE REPORTED TO ALL 53 GOVERNORS AND TO 22 AMERICAN AMBASSADORS IN EUROPE. WE WILL HOLD A SECOND SUCH MEETING ON MAY 22.

C) TOURISM: THE EMBASSY HAS BEEN WORKING WITH COMMERCE, USTS AND THE TRAVEL INDUSTRY TO INCREASE FLOW OF SWISS TO US. JUST AFTER MY ARRIVAL SENT LETTERS TO 628 HIGH-LEVEL SWISS, INVITING THEM TO VISIT US, OF WHO APPROX 60 PERCENT RESPONDED. ON NOV 2 AT "VISIT USA COMMITTEE" WE PROPOSED THEST MAILING TO CROSS-SECTION OF 3000 SWISS , SUGGESTING THEY VISIT US AND ANNOUNCING LOSS LEADER PRICE OF SF 690 ROUND-TRIP TO NEW YORK. PROMOTIONAL SUPPORT TO PASSEPORT MAGAZINE FOR ITS SPECIAL US ISSUE HAS BEEN PROVIDED, INCLUDING A LETTER OF ENDORSEMENT FROM ME TO POTENTIAL ADVERTISERS. ON JAN 16 WE ATTENDED USTS SEMINAR IN ZURICH TO OUTLINE AND RE-EMPHASIZE PROMOTION PROGRAM. BY END OF FEB THE 3000 LETTERS TO POTENTIAL TOURISTS WILL HAVE BEEN SENT. IF THIS MAILING SUCCESSFUL, WILL ENHANCE PROGRAM, GOAL IS MINIMUM 30 PERCENT INCREASE OVER 1977 TOTAL OF 90,000 SWISS TOURIST IN US. ON MAR 1, WE WILL HAVE USTS LITERATURE DISTRIBUTION CENTER SET

UP IN EMBASSY. FROM FEB 25-MAR 5 WE WILL BE SUPPORTING AND PARTICIPATING IN US EXHIBITION AT LAUSANNE SALON DE TOURISME.

D) EXPORT PROMOTION; ON OCT 17 WE WROTE TO SECY OF COMMERCE JUANITA KREPS. HAVE HAD SEVERAL MEETINGS WITH ASST SECY WEIL AND STAFF ON EXPANSION OF OUR TRADE PROMOTION PROGRAM. RESPONSE HAS BEEN MOST GRATIFYING AND I KNOW WE CAN COUNT ON COMMERCE'S SUPPORT FOR SCHEDULING OF ADDITIONAL EVENTS IN SWITZERLAND. WE HAVE ALREADY BEEN ABLE TO ARRANGE FOR SWISS PROMOTION FOR COLOGNE HOUSEWARES SHOW; THAT TOOK PLACE ON JAN 30-FEB 2.

FROM SEPT 19-21 WE HELD HOUSEWARE VIDEO/CATALOGUE

SECRET

SECRET

PAGE 04 BERN 00852 01 OF 03 231113Z

SECRET

NNN

SECRET

PAGE 01 BERN 00852 02 OF 03 231104Z
ACTION EUR-12

INFO OCT-01 ISO-00 SS-15 ONY-00 /028 W
-----128643 231114Z /11

R 230800Z FEB 78
FM AMEMBASSY BERN
TO SECSTATE WASHDC 5823

S E C R E T SECTION 2 OF 3 BERN 852

FOR EUR ONLY

SHOW IN ZURICH. I SENT "BON VOYAGE" LETTER TO SWISS DOCTORS AND RADIOLOGIST PARTICIPATING IN FOREIGN BUYERS TRIP TO US ON NOV 8. ON NOV 20 I ATTENDED OPENING CEREMONIES FOR IN-STORE PROMOTION IN BASEL. ON DEC 5 WE INITIATED ARRANGEMENTS FOR SERIES OF LUNCHEONS WITH SWISS DEPARTMENT AND CHAIN STORE BUYERS TO EXPAND SALES OF US CONSUMER GOODS; FIRST WAS HELD ON JAN 27 AND RESULTS WERE ENCOURAGING. ON JAN 12 WE WROTE TO CHIEF EXEC OFFICERS OF US AUTO MANUFACTURING FIRMS OFFERING

EMBASSY'S AND MY EHLF IN PROMOTING SALES OF US AUTOS
IN SWITZERLAND.

WE ARE CONSTANTLY SEEKING AREAS FOR NEW IDEAS
AND INITIATIVES. IN EARLY JUNE, DEPENDING ON RESPONSE
RECEIVED FROM THOUSAND LETTERS OF INVITATION WE ARE
MAILING TO AMERICAN EXPORTERS, WE WILL HOLD A MEETING
OF THOSE EXPORTERS WITH POTENTIAL SWISS IMPORTERS.

3. AGRICULTURE: HAVE PERSUADED SWISS TO POSTPONE
ADOPTION OF UNDULY RESTRICTIVE HEALTH MEASURES WHICH
WOULD HAVE SHARPLY REDUCED OUR EXPORTS; ACTIVATED
FOUR MARKET DEVELOPMENT PROGRAMS WHICH SHOULD INCREASE
OUR EXPORTS EVEN FURTHER; AND PRESSING SWISS HARD TO:

A) INCREASE BEEF QUOTA; B) END THEIR RESTRICTIVE
ALLOCATION OF CERTAIN GRAIN QUOTAS; AND C) ADOPT
SECRET

SECRET

PAGE 02 BERN 00852 02 OF 03 231104Z

US PROPOSAL ON GRAIN STORAGE. PLANNING MEETING
SWISS IMPORTERS WITH US EXPORTERS.

4. DEFENSE:

A) HAVE MET WITH ALL TOP SWISS POLITICAL AND
MILITARY LEADERS IN MILITARY DEPT AND WITH WIDE
RANGE OF US DEFENSE INDUSTRY REPS.

B) WE HAVE IDENTIFIED AND REPORTED ON THOSE
LONG-RANGE MILITARY HARDWARE ITEMS VITAL TO FUTURE
SECURITY OF SWITZERLAND AND NECESSARY TO INSURE
MAINTENANCE RELATIVELY MODERN AND CREDIBLE ARMED
FORCE.

C) WE HAVE AND CONTINUE TO MAKE AVAILABLE TO
SWISS, US BRIEFING TEAMS WHICH PRESENT INFO ON
MILITARY EQUIPMENT IN WHICH SWISS HAVE EXPRESSED
AN INTEREST.

D) IN FUTURE, WE INTEND TO: (1) RECEIVE SWISS
MILITARY BRIEFINGS IN DEPTH; (2) VISIT MILITARY
INSTALLATIONS AND TRAINING FACILITIES; (3) MEET
WITH DEFENSE INDUSTRY LEADERS.

E) WE HAVE BEEN FORTUNATE IN SHAPING IMPROVED
SWISS ATTITUDES TOWARD US ACHEIEVEMENT IN OFFSET
PROGRAM. HAVE MET ALL PRINCIPAL ACTORS IN OFFSET
PROGRAM AND HAVE ASSURED THEM OF US AND MY PERSONAL
COMMITMENT TO ACHIEVING STATED GOALS. HAVE
CARRIED ON DETERMINED EFFORT TO ASSURE THAT US
IS GIVEN DUE CREDIT FOR CARRYING OUT ITS COMIIT-
MENTS UNDER THIS PROGRAM. FURTHER IMPROVEMENT IN
DEGREE OF SUPPORT FROM WASHINGTON AGENCIES IS
NEEDED AND WOULD BE APPRECIATED.

F) WE ARE WORKING HARD TO ENCOURAGE RECIPROCAL
VISITS. SWISS CHIEF OF INTELLIGENCE AND SECURITY
HAS TOURED US AND VISITED WITH HEADS OF US INTELLIGENCE

SECRET

SECRET

PAGE 03 BERN 00852 02 OF 03 231104Z

AGENCIES. CHIEF OF SWISS LOGISTICS HAS VISITED US ARMY LOGISTICS UNITS AND INSTALLATIONS IN GERMANY. AMONG PLANNED FUTURE ACTIVITIES ARE: (1) EUCOM CHIEF OF INTELLIGENCE BRIEFING ON INDICATIONS AND WARNING TO SWISS GENERAL STAFF; (2) A SWISS CHIEF OF INTELLIGENCE TOUR OF USAREUR INTELLIGENCE OPERATIONS AND STAFF ELEMENTS IN HEIDELBERG, GERMANY; (2) A USARMY EUROPE CHIEF OF LOGISTICS VISIT TO SWISS UNDERGROUND STORAGE FACILITIES AND LOGISTICS TRAINING CENTERS. SOME OF THESE AREAS ARE CLOSED TO OUR ATTACHES; AND (4) RECIPROCAL VISITS AND APPROPRIATE BRIEFINGS AND EXCHANGE OF VIEWS BETWEEN SWISS AIR FORCE COMMANDER-IN-CHIEF AND CINCUSAFE.

G) ONE MAIN GOAL HAS BEEN TO HELP IMPROVE INTELLIGENCE COLLECTION CAPABILITIES OF DEFENSE ATTACHE AND I AM PLEASED TO BE ABLE TO REPORT THAT WE HAVE ACHIEVED SIGNIFICANT BREAKTHROUGHS. WE HAVE PUSHED HARD TO GAIN APPROVAL FROM SWISS CHIEF OF STAFF TO BE MORE FORTHCOMING WITH OUR MILITARY ATTACHES IN AREA OF FUTURE PLANNING, AND HAVE SUCCEEDED IN ESTABLISHING A SPECIAL RELATIONSHIP AND CONTACT FOR EACH ATTACHE TO GAIN KINDS OF INSIGHTS NEEDED TO ACCOMPLISH THEIR INTELLIGENCE OBJECTIVES.

H) WE NEED TO COORDINATE OUR INTELLIGENCE SECURITY ASSISTANCE AND REPRESENTATIONAL APPROACHES TO SWISS MORE EFFECTIVELY. FOR EXAMPLE, WE ARE EXPLORING POSSIBILITY OF INCREASED US MILITARY OVER-FLIGHTS TO CONSERVE FUEL AND SHORTEN FLYING TIMES.

SECRET

NNN

SECRET

PAGE 01 BERN 00852 03 OF 03 240806Z
ACTION EUR-12

INFO OCT-01 ISO-00 SS-15 ONY-00 /028 W
-----012882 240819Z /11

R 230800Z FEB 78
FM AMEMBASSY BERN
TO SECSTATE WASHDC 5824

S E C R E T SECTION 3 OF 3 BERN 852

FOR EUR ONLY

AT SAME TIME, SWISS ARE PRESSING US FOR HELP IN DEVELOPING MISSILE TECHNOLOGY BASE IN SWISS INDUSTRY. IT MAY BE FEASIBLE TO LINK THESE TOGETHER ON A QUID-PRO-QUO BASIS. THE DEFENSE RELATIONSHIP IS CLOSE, BECOMING CLOSER, AND OFFERS SOME OF OUR BEST OPPORTUNITIES TO ACHIEVE US OBJECTIVES. I PLAN TO SEE THAT THESE OPPORTUNITIES ARE FULLY EXPLOITED.

5. PUBLIC AFFAIRS: I AM LISTING MY ACTIVITIES, COMPLETED AND AS CURRENTLY PLANNED, INCHRONOLOGICAL ORDER: 1977: SEPT 16: SPEECH SWISS AMERICAN CHAMBER OF COMMERCE LUNCHEON, ZURICH; OCT 14: MEETING AND LUCH WITH SWISS CONFERENCE OF RECTORS, BASEL, RE INCREASING EXCHANGES; NOV 17: APPOINTMENT WITH PRES, AMERICAN COLLEGE OF SWITZERLAND, RE HELPING COLLEGE; NOV 18: GUEST OF HONOR, SWISS-AMERICAN SOCIETY THANKSGIVING DINNER-DANCE, BERN; NOV 19-20: VISIT TO AMERICAN COLLEGE OF SWITZERLAND, LEYSIN; NOV 26: SPEECH, SWISS-AMERICAN SOCIETY DINNER-DANCE, BASEL; DEC 10: PAINTINGS BY AMERICAN ARTISTS HUNG IN RESIDENCE BY ANDRE EMMERICH GALLERY, NEW YORK AND ZURICH; DEC 15: SPEECH, SWISS FRIENDS OF USA, ZURICH; DEC 20: PATRON, BENEFIT PERFORMANCE "NEW YORK, NEW YORK"; 1978: JAN 17-SECRET

SECRET

PAGE 02 BERN 00852 03 OF 03 240806Z

18: SPEECH, ST. GALLEN SWISS-AMERICAN SOCIETY DINNER; APPOINTMENT WITH RECTOR, HOCHSCHULE, ST. GALLEN; APPOINTMENT WITH EX DIR, INTL MANAGEMENT SYMPOSIUM; JAN 19: LUNCH AT RESIDENCE FOR MEMBERS OF PARLIAMENTARY PRESS CORPS; JAN 20: SPEECH, AMERICAN INTL CLUB, GENEVA; JAN 25: CALL ON EDITOR-IN-CHIEF FOREIGN EDITOR, NEUE ZURCHER ZEITUNG; FEB 21: SPEECH, AMERICAN CLUB OF TICINO LUNCHEON, LUGANO; FEB 21: VISITS TO AMERICAN SCHOOL IN SWITZERLAND, FRANKLIN COLLEGE, LUGANO; MAR 8: SPEECH, AMERICAN CLUB & AMERICAN WOMEN'S CLUB OF ZURICH LUNCHEON; MAR 16: LUNCH AT RESIDENCE FOR HEADS OF AMERICAN SCHOOLS IN SWITZERLAND TO DISCUSS THEIR NEEDS, HOW EMBASSY CAN HELP; PAR 4: SPEECH, SWISS AMERICAN SOCIETY OF BSEL LUNCHEON; MAY 29 OR 20: SECOND MEETING WITH SWISS CONFERENCE OF RECOTRS; JUNE 14: HONORARY DOCTOR OF LAWS DEGREE, COMMENCEMENT EXERCISES, AMERICAN COLLEGE OF SWITZERLAND.

6. POLITICAL:

A) TO PROMOTE US FOREIGN POLICY OBJECTIVES

HAVE: MET WITH ALL SEVEN FEDERAL COUNCILORS; MET WITH HEADS OF PRINCIPAL OFFICES AND GENERAL SECRETARIES OF ALL SEVEN FEDERAL DEPARTMENTS, PARTICULARLY OFFICIALS IN FED POLITICAL DEPT AND ECONOMIC DEPT DIV OF COMMERCE; MET WITH PARLIAMENTARY LEADERS OF MAJOR SWISS POLITICAL PARTIES; MET WITH GOVT AND POLITICAL LEADERS OF LEADING SWISS CANTONS; MET WITH LEADING PRIVATE SECTOR INDIVIDUALS WHO INFLUENCE SWISS POLICY DECISIONS; AND ADDRESSED SWISS AMERICAN CHAMBER OF COMMERCE AND SWISS AMERICAN CLUB IN ZURICH. IN THOSE MEETINGS I HAVE STRESSED IMPORTANCE OF SWISS ROLE IN WORLD AFFAIRS AND EMPHASIZED NEED TO WORK
SECRET

SECRET

PAGE 03 BERN 00852 03 OF 03 240806Z

CLOSELY ON INTL ISSUES AS WELL AS FOR BILATERAL COOPERATION.

B) COMPLEMENTARY TO ABOVE BILATERAL EFFORTS, HAVE MET WITH MY FOREIGN DIPLOMATIC COUNTERPARTS, MAINTAINING REGULAR DIALOGUE WITH MAJOR EUROPEAN COUNTRIES (BOTH WESTERN AND EASTERN).

C) AMBASSADOR HAS ALSO VISITED SEVERAL US EMBASSIES AND USG OPERATIONS IN OTHER EUROPEAN COUNTRIES TO BECOME INFORMED ON IMPORTANT ISSUES THAT AFFECT US RELATIONS WITH EUROPEAN COUNTRIES, PARTICULARLY RE NATO AND SUCH EFFORTS AS CSCE, AND TO GAIN BETTER EUROPEAN REGIONAL PERSPECTIVE AS IT RELATES TO BILATERAL RELATIONS WITH SWITZERLAND. INTENTION IS TO INTENSIFY THESE EFFORTS AND CONTACTS OVER COMING MONTHS.

WARNER

SECRET

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN RELATIONS, POLICIES
Control Number: n/a
Copy: SINGLE
Draft Date: 23 feb 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BERN00852
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X3
Errors: N/A
Expiration:
Film Number: D780085-0390
Format: TEL
From: BERN
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780224/aaaaaucm.tel
Line Count: 370
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 8d6e9ed1-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: SECRET
Original Handling Restrictions: ONLY
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: ONLY
Reference: 78 STATE 291277, 78 BERN 733
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 03 jun 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3511304
Secure: OPEN
Status: NATIVE
Subject: US GOALS AND OBJECTIVES IN SWITZERLAND
TAGS: AMGT, PFOR, SZ, XX, US
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/8d6e9ed1-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014